

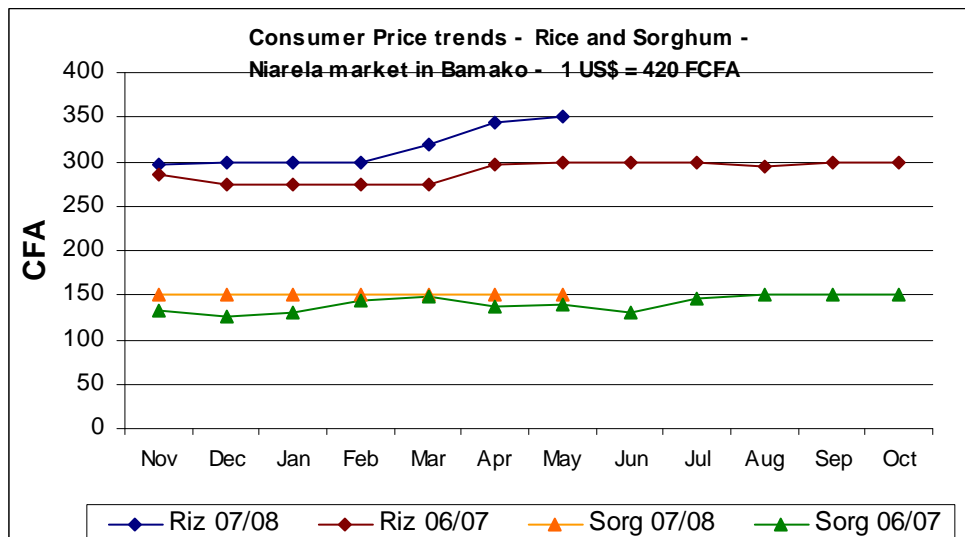


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Mali – Periodic Update on the domestic food security situation USAID/Mali Summary --- Situation as of June 6, 2008

Director's perspective: The availability of cereals remains satisfactory after three years of good production. Forecasts for the 2008-2009 campaign predict above average harvest. The consumer price of millet is stable at a level slightly higher than last year and below the past five year average. The most significant increase concerns the 17% price increase of Gambiaka, the preferred local rice variety compared to May of last year. The Government's response is positive in supporting higher rice production. The ban on the exports of cereals remains in effect exacerbating the regional problem.



Areas of Concern: Apart from the 34 communes identified by the National Early Warning System as experiencing economic difficulties, the North-East of the region of Kidal and more specifically the commune of Tinzawatene, warrants greater vigilance in view of the recent incidents of banditry. To date no requests have been made for distribution.

More Details: The Ministry of Agriculture estimates the overall budget of Mali's 2008-2009 crop year plan, including the rice initiative recently launched by Prime Minister at 95.2 billion francs CFA. This projected plan, which is formulated annually, builds on all agro-meteorological data available before the launch of the agricultural campaign. The objective of the 2008-2009 crop year plan is to reach an overall cereal production of 4.6 million tons, with about 1.6 million tons for paddy rice, in conformity with the rice initiative launched by the government. The plan provides for 859,000 tons of maize, 1.183 million tons of millet, one million tons of sorghum, and 13,000 tons wheat/barley. Others are industrial crops - 350,000 tons of sugar cane, 348,000 tons of groundnut and about 50,000 tons of sunflower.

Producer prices: The increase per kilo in producer prices in the last two weeks has ranged between 10% to 15.4% for millet, between 0% to 12.5% for sorghum and between 0% to 5% for

maize. Over the same period, the increase in the price paid to producers of Gambiaka, the preferred local variety of rice has ranged between 3.4% and 17%.

Consumer prices: The consumer price of Gambiaka (FCFA 350/kilo in Niarela) has been increasing since January 2008. This increase in price will mainly affect vulnerable households in urban areas already hard hit by the increasing price of basic foodstuff such as bread, vegetable oil, milk and sugar. The increasing price of rice could have “*un effet d'entraînement*” on the price of dry cereals.

Consumer price at regional level are as follows as of June 6, 2008:

Per kilogram, \$1= 420 Fcfa

	Bamako/Niaréla Mali	Ouaga/Sankaryare Burkina Faso	Niamey/Katako Niger	Dakar/Tilène Senegal	Adjamé RCI
Millet	150	175	176	225	288
Sorghum	150	147	174	210	481
Maize	175	173	200	225	385
rice - imp	325	400	375	300	356

Source: OMA

It should be noted that the price of dry cereals in neighboring countries (Senegal, Mauritania and Cote d'Ivoire) is generally higher than in Mali and that the pressure to export Malian cereals will keep increasing.

As of May 7, 2008, the National Food Security Stock held 36,865 MT of cereals and the National Intervention Stock 17,786.9 MT, which is normal.

Livestock: livestock is currently going through the peak of the lean season. On June 1, 2008, International Milk Day, the Minister of Livestock noted that Mali has 7.8 million heads of cattle, 22 million sheep and goats and 700,000 camels. Despite these assets, average milk consumption per person and per year is only 12 liters per person compared to the FAO annual ratio established at 62 liters per person. Mali continues to spend the equivalent of FCFA 15 billion on milk and milk products imports each year.

Additional local prices available on request see contact below.

Additional Sources of Information

World Food Program (WFP/PAM): “Note synthétique sur l'évolution des prix des principales céréales au Mali » (April 2008) www.wfp.org

FEWSNET Mali <http://www.fews.net/pages/country.aspx?gb=ml&l=en>

- Observatoire du Marché Agricole (OMA) Market Information Office Mali

- Système d'alerte précoce (SAP) National Early Warning System of the Government of Mali

- Initiative Riz – Primature

- International Food Policy Resource Institution (IFPRI) www.ifpri.org (key to understanding long term global issues)

- PANA news services

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